(462)

EXCISE

excise all names of persons b-6

DEPARTMENT OF STATE
THE LEGAL ADVISER

June 4, 1968

TO : L - Mr. Salans

FROM : L/C - Fabian A. Kwiatek FAK

SUBJECT: Distribution of amount received from the Government of Israel (3,323,500 US dollars) in full and final settlement of thirty-four U.S.S. Liberty death claims

RECOMMENDATION

This is a recommendation that you authorize and certify payment from the Department of the Treasury to the persons and legal entities listed in the attached exhibit for the amounts specified therein. (Tab A) Authorization to do so has been delegated to the Legal Adviser and the Deputy Legal Adviser by the Secretary under delegation of authority No. 111 of September 26, 1966. (Tab B) The authority of the Secretary is granted by the Act of September 27, 1896 (31 U.S.C. 547). (Tab C)

DISCUSSION

On June 8, 1967, while the U.S.S. Liberty was engaged in peaceful activities in international waters off the coast of Egypt, it was attacked by Israeli aircraft and torpedo boats. At the time of the attack, the U.S.S. Liberty was flying the American flag, and its identification was clearly indicated in large white letters and numerals on the hull. It was broad daylight and the weather conditions were excellent. Both the flag and the identification number of the vessel were readily visible from the air. Accordingly,

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY John Killey DATE 1/24/83
EXEMPTIONS XEXT. DATE
TO AUTH. REASON(S)
ENTIRE EXISTING MARKINGS
DECLASSIFIED RELEASABLE
RELEASE DENIED in part
PA or FOI EXEMPTIONS b-6

there was every reason to believe that the U.S.S. Liberty was or should have been identified, or her US nationality determined, prior to the attack.

The Government of the United States protested the attack and demanded the payment of appropriate compensation, the taking of disciplinary measures which international law requires in the event of wrongful conduct by the military personnel of a State, and guarantees that US personnel and property would not be damaged or endangered by wrongful actions of the Israeli Military Government. In reply the Ambassador of Israel informed the Secretary of State "that the Government of Israel is prepared to make amends for the tragic loss of life and material damage."

On December 29, 1967, claims totaling 3,323,500 US dollars were presented to the Government of Israel on behalf of the families of the thirty-four personnel killed as a result of the attack (US Embassy notes Nos. 27 through 60). Prior to the submission of the claims all parties concerned or their attorneys accepted in writing the amount claimed in each claim. On May 27, 1968, the Embassy of the US in Tel Aviv and the Ministry of Foreign Affairs of Israel exchanged notes providing for a full and final settlement of the 34 claims in the claimed amount of 3,323,500 US dollars. The original note from the Ministry for Foreign Affairs and a "Treasury of the State of Israel check" for the amount of settlement were received May 31, 1968. On June 3, 1968, the check was deposited and covered into the Treasury and credited to Trust Fund Account 19X8815, Indemnification Funds, Foreign Governments, as required by the Act of February 27, 1896, for money received by the Secretary of State from foreign governments in trust for US citizens and others. The Act also requires the Secretary of State to "... determine the amounts to claimants, respectively, from each of such trust funds

DECLASSIFIED

and certify the same to the Secretary of the Treasury, who shall, ... pay the amount so found to be due." Such authority was delegated by the Secretary to the Legal Adviser and the Deputy Legal Advisers. The above-mentioned funds are now available for disbursement.

RECOMMENDATION

That you authorize and certify payment from the funds deposited in the Department of the Treasury to the persons and entities stated in the attached exhibit for the amounts stated therein.

CONCURRENCES

L/C - Mr. Kerley GLK

Approved Carl Rowan

Date June 7, 1968

Attachments:

Tab A. List of payees and amounts.
Tab B. Delegation of Authority No. 111, September 26, 1966.
Tab C. Act of February 27, 1896 (31 U.S.C. 547).

JAK

L:L/C:FKwiatek:ams

Payee	Amount
	$81,981.38
	24,834.33
	26,184.29
	20,000.00
	20,000.00
	118,002.10
	28,876.04
	31,505.64
	34,122.24
	44,467.65
	47,026.33
	20,000.00
	20,000.00
	20,000.00
	142,500.00
	20,000.00
	20,000.00
	20,000.00
	20,000.00
	20,000.00
	20,000.00
	101,108.00
	40,096.00
	35,796.00
	20,000.00
	20,000.00
	22,250.00
	22,250.00
	20,000.00
	20,000.00

B-6

DECLASSIFIED

$20,000.00

20,000.00
20,000.00

20,000.00
20,000.00

20,000.00
20,000.00

B-6

20,000.00
20,000.00

20,000.00
20,000.00

20,000.00
20,000.00

144,500.00
20,000.00
20,000.00

11,000.00
14,000.00

20,000.00
20,000.00

20,000.00
20,000.00

20,000.00
20,000.00

20,000.00
20,000.00

DECLASSIFIED

$89,322.00
18,961.00
36,440.00
46,277.00
10,000.00
20,000.00
20,000.00
121,615.00
40,885.00
20,000.00
20,000.00
20,000.00
20,000.00
20,000.00
20,000.00
112,000.00
37,500.00
20,000.00
20,000.00
109,824.00
34,741.00
37,139.00
41,296.00
20,000.00
20,000.00
91,790.00
31,710.00
20,000.00
20,000.00
88,482.00
28,018.00
20,000.00
20,000.00

B-6

RECEIVED

	$20,000.00
	20,000.00
	20,000.00
B-6	20,000.00
	20,000.00
	20,000.00
	98,058.00
	19,446.00
	28,618.00
	30,878.00

DECLASSIFIED

September 26, 1966

DELEGATION OF AUTHORITY NO. 111

SUBJECT: Delegation of Authority to the Legal Adviser and to the Deputy Legal Advisers to Determine and Certify to the Secretary of the Treasury Certain Claims

Pursuant to the authority vested in me by section 4 of the Act of May 26, 1949, as amended (63 Stat. 111; 5 U.S.C. 151c) I hereby delegate to the Legal Adviser and the Deputy Legal Advisers the authority vested in the Secretary of State by the Act of February 27, 1896, Ch. 34, 29 Stat. 32, 31 U.S.C. 547, to determine the amounts due claimants from funds held in trust for citizens of the United States or others, which have been received by the Secretary of State from foreign governments, and certify the same to the Secretary of the Treasury.

This Delegation of Authority shall be effective immediately.

/s/ DEAN RUSK
Secretary of State

This Delegation of Authority was published in the Federal Register as Public Notice No. 250, 31 FR 12967 on October 5, 1966.

DECLASSIFIED

31 U.S.C. 547

Disposition of trust funds received from foreign governments for citizens of United States.

All moneys received by the Secretary of State from foreign governments and other sources, in trust for citizens of the United States or others, shall be deposited and covered into the Treasury.

The Secretary of State shall determine the amounts due claimants, respectively, from each of such trust funds, and certify the same to the Secretary of the Treasury, who shall, upon the presentation of the certificates of the Secretary of State, pay the amounts so found to be due.

Each of the trust funds covered into the Treasury as aforesaid is appropriated for the payment to the ascertained beneficiaries thereof of the certificates provided for in this section. (Feb. 27, 1896, ch. 34, 29 Stat. 32.)

DECLASSIFIED